LEVERAGE

Sustainable values

SMETA Audit

Overview of Sedex

As more and more western customers start to pay attention to human rights issue on supply chain workers, retailers and brand companies have to take proactive measures to deal with them. Nowadays, suppliers who are requested by their customers to abide by local labor rules are significantly rising. Lots of companies are faced with the same challenge, ie, to promote social responsibility activities and improve working conditions for global supply chain workers.

Sedex (Supplier Ethical Data Exchange) is a London-based non-profitable organization. Companies on every corner of the world can apply for its membership. By increasing its members from around the world and perfecting its provided systems and services, Sedex has gained continuous development and growth. Sedex is a set of network database used to help each company store information of labor rules within its business scope, and the information could be likewise shared with their customers.

Solution

A good number of large retailers and manufacturers are in favor of Sedex, and there are a rising number of retailers, companies, suppliers and other organizations from different industries have requested farms, factories and manufacturers to cooperate with them and adopt Sedex Membership Ethic Trading Audit (SMETA) so that their business is conformable to relevant ethic rules. As SMETA has to be acknowledged by all the Sedex A, AB members, other customers and profit-related parties, so the system of compliance is:

- ※ One mode, one-time audit, universally accepted and no need for frequent audits
- ※ Do good to mobilizing workers at the same time improving work efficiency
- ※ To support ethic business currently run by enterprises
- ※ To answer questions raised by media, NGOs and customers aiming at ethic business

Customer Trust

Leverage has provided professional service for international brands and importers from more than 50 countries, including Conforma, Biberna, Indetex, Harris, JMS, River Island, The Harddow Group, Home Retail Group, Argos, Homebase, Habitat, New Look, Shop Direct, Creative Tops, Boohoo, Falabella, Littlewoods, Matalan, BBC, Hallmark, Showin, MATRIXAPA, Maxeda, KNOLL PRINTING & PACKAGING, Family Dollar, MONSOON, Hasbro, Li& Fung, Wuchan, ASDA, W.Morrisons, ADM, Kingfisher, B&Q, New Look, Roveg Fruit B.V. etc.

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SMETA is auditing working sites, farms, workshops, distribution centers, calling centers or almost all other commercial sites so as to evaluate whether their business meets relevant ethic requirements.

Work Flow of On-Site Audit

Work Flow of Leverage SMETA Audit

Factories need to be audited fill in the SAQ of Sedex, then choose the auditing company Leverage Limited. After the audit is completed, reports can be uploaded to the platform of Sedex Advance. (It's the applicants' will whether to upload or not to)

To get registered in Sedex Advance system, submit an application form and then choose auditing company Leverage
Applicant

Determine number of audit man-day and quote needed for the audit
Leverage

Confirm the offer, sign the contract and make audit payment
Applicant

Arrange audit schedule and inform of the documents to be prepared*
Leverage

Conduct Audit

Notify the Applicant
Leverage

To finalize audit report and the final review
Leverage

To send the report to applicant and other parties originally agreed and upload to Sedex Advance (If requested)
Leverage

As for the non-conformity in document reviews, relevant evidence and data need to be provided on the Sedex Advance so that auditing company can verify them and re-apply for subsequent follow-up on the audit if needed
Applicant

After on-site audit, auditors will discuss and conclude the findings and deliver corrective actions and preventive actions (CAPA).

*** Upon the arrangement of audit date, if the audit has be to notified in advance, we'll inform of the exact date, if it's semi-announced, we'll inform of a time-window, if unannounced , we'll not tell the audit date.**

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Table for Auditor Days and Sample Size for Full initial and Full Re-Audit

Audit days	No. of Workers (Excl Managers)	Individual interviews	Total Employees interviewed	Woker Files/ Time and Wage Records	Effective Time Spent On Interviews
1	1-100	6(or total number of workers if <5)	10	10	2.5 hours
2	101-500	6	26	26	6 hours
3	501-1000	12	42	42	8.5 hours
4	1001-2000	20	52	52	12.5 hours
4	2000+	22	62	62	14 hours

*For a 4-Pillar SMETA Audit the guide is an additional 0.5 auditor days for the additional procedures of extended environmental and Business Practices Assessments.

What's included in Leverage's SMETA package?

Travel cost	Report uploading	B member registration	Client linkage for supplier in Sedex system	Administrative	Invoice Tax
Out of pocket expense, vary from factory's location	Free	60GBP (official price) Help supplier register B member in Sedex, no administrative fee, all amount is paid to Sedex	Free	Free	3%

Our advantages are

- Telephone technical support provided for customers 7X24 hours by strong technical team.
- Highly flexible arrangement for audit dates, reports to be finished within five days, and super urgent orders can be arranged within 24 hours.
- 100% integrity management, always say NO to bribe and stamp out corrupt behaviors of auditors.
- Totally transparent audit price system(No other invisible charging items such as report fee, uploading fee or administrative fee, etc.)

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